

MORNING REPORT

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Top News

NZ shares climb as NZX50 gains 4.3% in September quarter

New Zealand shares rose in the final day of the quarter, led higher by blue-chip stocks such as Spark New Zealand and Ryman Healthcare.

The S&P/NZX 50 gained 64.66 points or 0.7 percent, to 9,351.06. Within the index, 28 stocks rose, 12 fell and 10 were unchanged. Turnover was \$182 million.

The benchmark index rose 4.3 percent in the quarter, following a 7.5 percent gain in June. So far this year the NZX 50 is up 11 percent, outperforming its peers across Asia.

"It's not bad - nowhere near as good as the previous quarter which was a very good performance for a three-month period," said Grant Williamson, a director at Hamilton Hindin Greene. "We're just mucking around at historic highs - it will be interesting to see whether we make new highs in the new quarter."

Blue-chip stocks led the market higher today in the final session of the September quarter, which typically sees institutional investors adjusting their portfolios.

"There will be some squaring up of positions so we might see a little selling on Monday," Williamson said.

Ebos Group was the strongest performer in the September quarter, up 25 percent to \$22.46. That includes a 0.9 percent gain today. Ryman Healthcare rose 2.6 percent to \$14 today, and has gained 17 percent in the quarter. Spark led the market higher, up 3.1 percent to \$4.05 and climbed 8.4 percent in the quarter.

Westpac Banking Corp gained 2.6 percent to \$30.95 and Australia & New Zealand Banking Group advanced 1.8 percent to \$30.90 after Royal commissioner Kenneth Hayne's interim report into the Australian banking sector didn't make any recommendations and instead argued for stronger enforcement of existing law.

NZ dollar gains vs euro as Italian bond yields spike on budget concerns

The New Zealand dollar rose against the euro as Italian bond yields shot up amid fears Europe's third-biggest economy isn't doing enough to clamp down on government spending.

The kiwi increased to 56.92 euro cents as at 8am in Wellington from 56.72 cents last week. It traded at 66.05 US cents from 66.16 cents at the New York close on Friday and 66.03 cents in Asia last week.

The yield on Italy's 10-year government bond jumped 23 basis points to 3.14 percent after Italy's coalition government overruled Finance Minister Giovanni Tria's efforts to contain the budget deficit. The deficit target was set at 2.4 percent of GDP for each of the next three years, where Tria had pushed for 1.6 percent. The euro was weaker and stock markets in France and Germany fell as investors grew wary of a showdown between European Union officials and Italy's government over the size of the projected budget deficit.

"Italian budget concerns together with soft euro area inflation have knocked the euro," ANZ Bank New Zealand Sharon Zollner and Philip Borkin said in a note. The kiwi/euro "cross is up near resistance, and we wouldn't be surprised if it tested through that level this week."

NZX Index			
Index	Last	Change	
S&P/NZX All Index	10,175.02	68.66	▲ 0.68%
S&P/NZX 50 Index	9,351.06	64.66	▲ 0.70%
S&P/NZX MidCap Index	26,788.00	174.69	▲ 0.66%
S&P/NZX SmallCap Index	64,269.12	490.85	▲ 0.77%
S&P/NZAX All Index	533.30	4.57	▼ 0.85%

ASX Index			
Index	Last	Change	
ASX All Ordinaries	6,325.50	26.20	▲ 0.42%
S&P/ASX 200	6,207.60	26.40	▲ 0.43%
ASX Small Ordinaries	2,863.40	7.60	▲ 0.27%
S&P/ASX MIDCAP 50	7,074.20	22.40	▲ 0.32%
S&P/ASX 20	3,429.00	22.00	▲ 0.65%

Foreign Markets Index			
	Last	Change	
S&P 500	2,913.98	0.02	▼ 0.00%
Dow Jones	26,458.31	18.38	▲ 0.07%
NASDAQ Composite	8,046.35	4.38	▲ 0.05%
DAX	12,246.73	188.86	▼ 1.52%
ASX All Ordinaries	6,325.50	26.20	▲ 0.42%
NIKKEI 225	24,120.04	323.30	▲ 1.36%
HANG SENG INDEX	27,788.52	72.85	▲ 0.26%

Currencies (per NZ\$ 1.00)			
	Last	Change	
AUD	0.9345	0.0002	▲ 0.02%
USD	0.6998	0.0037	▼ 0.53%
CNY	4.4310	0.0240	▼ 0.54%
EUR	0.5835	0.0011	▲ 0.19%
CAD	0.8992	0.0041	▼ 0.45%
GBP	0.5140	0.0029	▲ 0.57%
JPY	76.8450	0.0335	▼ 0.04%

NZ Interest Rates		
	Last	Change
NZ OCR	1.75	
3-month Bank Bill	1.94	
5-year Swap	2.72	
10-year Swap	3.18	

Commodities Futures			
	Last	Change	
Gold	1,196.20	8.80	▲ 0.74%
Silver	14.69	0.40	▲ 2.80%
Crude Oil	73.56	1.44	▲ 2.00%

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